



BUSINESS MEETING OF THE
MICHIGAN LIQUOR CONTROL COMMISSION

Held: Tuesday, April 29, 2014
Lansing District Office
7150 Harris Drive
Lansing MI 48909

Present: Teri L. Quimby, Commissioner
Dennis Olshove, Commissioner

Absent: Andrew J. Deloney, Chairman

Staff: Steve Robinson, Director of Finance Division
Sharon Martin, Director of Licensing Division
Kerry Krone, Business Manager
Pam Hamilton, Deputy Director of Finance Division
Gerald Whalen, 1st Assistant Attorney General's Office
Anita Fawcett, Executive Services Division

The meeting was called to order by Commissioner Quimby at 11:05 a.m., noting a quorum was present.

- I. **Moved by Commissioner Quimby, supported by Commissioner Olshove, that the minutes of the Commission meeting of April 15, 2014, be approved as written and presented, motion carried by unanimous vote.**
- II. Mr. Robinson presented the E-Quote reports for product listings in four categories and requested approval of the following:
 - A. That the products listed below be granted exceptions to the standard pack size, inasmuch as the items are packaged nationally or meet other exceptions as indicated and be approved for listing in the approved products list effective June 1, 2014:

<u>COMPANY/ADA</u>	<u>PRODUCT</u>	<u>PACK SIZE</u>
Temperance Distilling Company (NWS Michigan, Inc.)	750ml OM Coconut Water & Lychee	6 Bottles
	750ml OM Wild Crnberry & Blood Orange	6 Bottles
International Spirits & Wines, LLC (General Wine & Liquor Co.)	750ml Big Peat Scotch	6 Bottles
Phillips Products Co., LLC (General Wine & Liquor Co.)	50ml UV Sugar Crush PL Vodka	60 Bottles

Proximo Spirits, Inc. (General Wine & Liquor Co.)	1000ml Hangar 1 Mandarin Blossom	6 Bottles
	1000ml Hangar 1 Straight Vodka	6 Bottles
	1000ml Three Olives Jacked Apple	6 Bottles
Redemption Spirits LLC (NWS Michigan, Inc.)	750ml Devotion Black & Blue Vodka	6 Bottles
	750ml Devotion Blood Orange Vodka	6 Bottles
	750ml Devotion Coconut Vodka	6 Bottles
	750ml Devotion Vodka	6 Bottles
	750ml Devotion Wild Cherry Vodka	6 Bottles
St. George Spirits Inc. (NWS Michigan, Inc.)	750ml St. George California Agricole Rum	6 Bottles
Vision Wine & Spirits, LLC (General Wine & Liquor Co.)	750ml Master's Selection Gin	6 Bottles
Anchor Distilling Company (NWS Michigan, Inc.)	750ml Kavalan Whisky	6 Bottles
	750ml Kavalan Whisky Concertmaster	6 Bottles
	750ml King Car Whisky	6 Bottles
Winebow, Inc. (NWS Michigan, Inc.)	375ml Pine Barrens Single Malt	6 Bottles

B. That the following requests for addition of product to the approved products list be approved for listing, effective June 1, 2014:

<u>COMPANY/ADA</u>	<u>PRODUCT</u>	<u>PACK SIZE</u>
Temperance Distilling Company (NWS Michigan, Inc.)	750ml Black Swamp Whiskey	12 Bottles
	750ml Black Swamp Cinnamon Spiced	12 Bottles
	750ml Smoke	12 Bottles
Heaven Hill Distilleries, Inc. (General Wine & Liquor Co.)	750ml Burnett's Mango Pineapple	12 Bottles
	1750ml Burnett's Mango Pineapple PL	6 Bottles
	375ml Burnett's Red Berry PL	24 Bottles
	750ml Burnett's Red Berry PL	12 Bottles
	1750ml Burnett's Red Berry PL	6 Bottles
International Spirits & Wines, LLC (General Wine & Liquor Co.)	750ml Royal Thistle Scotch	12 Bottles
Phillips Products Co., LLC (General Wine & Liquor Co.)	750ml UV Sugar Crush Vodka	12 Bottles
	1000ml UV Sugar Crush Vodka	12 Bottles
Proximo Spirits, Inc. (General Wine & Liquor Co.)	50ml Three Olives Cherry PL	120 Bottles
	50ml Three Olives Grape PL	120 Bottles
	750ml Three Olives Jacked Apple	12 Bottles
	1750ml Three Olives Jacked Apple	6 Bottles
	1750ml Member's Mark 6X Vodka	6 Bottles
Sazerac Company, Inc. (NWS Michigan, Inc.)	1750ml Member's Mark Spiced Rum	6 Bottles

Diageo Americas, Inc. (NWS Michigan, Inc.)	750ml Pimm's Blkbrry & Elderflower	12 Bottles
	750ml Smir Sorbet Lt Summer Strwbrry	12 Bottles
	750ml Smir Sorbet Lt White Peach	12 Bottles

That the request of Eton Street Brewery, LLC, holder of 2013 Small Distiller license, for addition of the following products to the approved product list, be approved for listing, effective June 1, 2014; further prior to any sale and distribution of the products through the Commission's spirit distribution system, Eton Street Brewery, LLC, must submit and receive Commission approval for an amended liquor quotation which designates an Authorized Distribution Agent for these products:

<u>PRODUCT</u>	<u>PACK SIZE</u>
750ml Griffin Claw Bourbon Whiskey	12 Bottles
750ml Griffin Claw Rye Whiskey	12 Bottles

That the request of Journeyman Distillery, LLC, holder of 2013 Small Distiller license, for addition of the following product to the approved product list, be approved for listing, effective June 1, 2014; further prior to any sale and distribution of the product through the Commission's spirit distribution system, Journeyman Distillery, LLC, must submit and receive Commission approval for an amended liquor quotation which designates an Authorized Distribution Agent for this product:

<u>PRODUCT</u>	<u>PACK SIZE</u>
750ml Journeyman Corsets, Whips	12 Bottles

C. That the following requests for promotional or special packaging be approved for listing, effective June 1, 2014:

<u>COMPANY/ADA</u>	<u>PRODUCT</u>	<u>PACK SIZE</u>
Bacardi U.S.A., Inc. (General Wine & Liquor Co.)	750ml Grey Goose Le Melon w/Tin Mug	6 Bottles
Heaven Hill Distilleries, Inc. (General Wine & Liquor Co.)	750ml Evan Wms Honey w/Koozie Sht GlS	12 Bottles
MHW Ltd. (NWS Michigan, Inc.)	750ml Di Saronno Amaretto w/Sour Mix	12 Bottles
Phillips Products Co., LLC (General Wine & Liquor Co.)	1750ml UV Vodka w/50ml UV Sriracha PL	6 Bottles
Remy Cointreau USA, Inc. (NWS Michigan, Inc.)	750ml Cointreau Liq w/Margarita GI	6 Bottles
Luxco, Inc. (General Wine & Liquor Co.)	1750ml Lady Bligh PL w/Playing Cards	6 Bottles

Moved by Commissioner Quimby, supported by Commissioner Olshove, that the above actions be taken in accordance with the E-Quote reports dated April 24, 2014, motion carried by unanimous vote.

- III. Ms. Hamilton presented licensee requests for special price reductions on spirit products in accordance with the provisions of the Commission's Order of September 11, 2012 regarding special price reductions on spirit products, which was effective on January 1, 2013. She advised there were seventy-five (75) different licensees requesting price reductions; and that 5437 product price reductions could be approved; and that there were zero product price reductions to be denied.

Moved by Commissioner Quimby, supported by Commissioner Olshove, that the 5437 special price reductions be approved as indicated on the attached Approval for Price Reduction on Liquor report, motion carried by unanimous vote.

- IV. Mr. Robinson presented the March 2014 Financial Report which shows the results of our operations for the period of October 1, 2013 through March 31, 2014 and advised that this report contains three extra sales days when compared with the report for March 2013. He reported the Total Gross Sales increased over last year by almost \$20.5 million or 3.8% higher, and the Distilled Spirit cases sold increased 34,001 or 0.9%. Mr. Robinson advised the Net Income from spirit sales increased approximately \$2.48 million or 3.0%, Beer taxes are higher by \$367,000, with Wine taxes being higher by almost \$161,000.

Moved by Commissioner Quimby, supported by Commissioner Olshove, that the March 2014 Financial Report, be accepted, motion carried by unanimous vote.

- V. Commissioner Quimby advised that a request for a declaratory ruling was received from James Crank on behalf of Cranker's Restaurant & Brewery on April 24, 2014 and that the Commission, under administrative rule R 436.1973(1), has 30 days to notify Mr. Crank whether a declaratory ruling will be issued. She stated Mr. Crank is requesting the Commission issue a declaratory ruling on MCL 436.1411(2) which allows a licensed micro brewer who has more than 1 licensed brewery premises, to sell for on-premises consumption, beer that it has produced at one licensed brewery, at any of its other licensed brewery premises. Mr. Crank has two licensed micro brewer locations held in different corporate names with Mr. Crank being the sole stockholder of both corporations.

Commissioner Quimby stated an interested person may request a declaratory ruling from the Commission by written request, which Mr. Crank has done; that the written request shall contain the relevant and material facts along with a reference to the statute or rule, which Mr. Crank has done.

Motion made by Commissioner Quimby to grant the request to issue a declaratory ruling on MCL 436.1411(2) of the Michigan Administrative Code, supported by Commissioner Olshove, the motion was carried by unanimous vote.

Commissioner Quimby announced that under administrative rule R 436.1973(2) the Commission is obligated to issue the declaratory ruling within 90 days which is no later than July 23, 2014. She invited anyone that wishes to submit written comments for Commission consideration to do so on or before May 24, 2014.

VI. Old Business.

There was no Old Business.

VII. New Business.

There was no New Business.

VIII. Public Comments.

There were no Public Comments.

With no further business, moved by Commissioner Quimby, supported by Commissioner Olshove, that the business meeting be adjourned at 11:15 a.m., motion carried by unanimous vote.

Anita Fawcett
Executive Services

Teri L. Quimby
Commissioner